



Exphotel 2005

June 15-17, 2005

Cancun, Mexico

Who Should Attend

U.S. exporters of food, including catering products and sellers of beverages, wines and spirits for the hotels and restaurants.

Why

Exphotel is the most complete and important trade event in the Mexican Caribbean region. At *Exphotel 2004*, more than 5,500 key contacts from the hospitality industry, including, hotels, restaurants, industrial cafeterias, bars, and discos visited the show. This year's show is expected to be an even greater success. If you are interested in showcasing your company's products at the hospitality industry's most important exhibition in the Caribbean, this is the show for you.

The Market

Mexico, with its large and growing population, stable economy, liberalized import policy and ideal geographic location, is a dynamic market for exports of top quality U.S. food and agricultural products. The total value of U.S. exports of food and agricultural products to Mexico grew over 20 percent from \$6.9 billion in 2000 to \$8.4 billion in 2003. In 2004, at current growth, U.S. agricultural exports to Mexico will be \$9.3 billion. **(See attached Mexican Market Overview & Opportunities fact sheet).**

Best Prospects:

Seafood, fish, beef, lamb, veal, pork, duck, sausages and other processed meats (including poultry, pork and red meats) cheese, ice-cream and other dairy products, wines, soft drinks, processed foods, etc.

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MEXICAN MARKET OVERVIEW & OPPORTUNITIES FOR THE HOTEL, RESTAURANT AND TOURISM SECTORS

Market Overview

Mexico, with its large and growing population, stable economy, liberalized import policy and ideal geographic location, is a dynamic market for exports of US food and agricultural products. The total value of US exports of food and agricultural products including fish and forestry products to Mexico grew over 20 percent from \$6.9 billion in 2000 to \$8.4 billion in 2003. In 2004, at current growth, US agricultural exports to Mexico will be \$9.3 billion. The United States has a 75 percent import market share in agricultural products, followed by Canada with 6 percent. Sales of consumer-ready products account for 38 percent of these imports, and grew rapidly from US \$2.6 billion in 2000 to US \$3.2 billion in 2001 (which was a record year) dropping to US \$2.8 billion in 2002 but recovering again in 2003 reaching US \$3.1 billion. At the current pace, imports of consumer ready products during 2004 are expected to reach US \$3.3 billion.

Some of the Best Food Product Opportunities for the Tourism Industry

Beef cuts and variety meats	Fresh and processed fruits and vegetables
Dairy products	Alcoholic beverages & wine
Seafood and products	Non-alcoholic beverages
Snacks	Vegetable oils
Food ingredients	Frozen products
Fruit and vegetable juices	Sugar and sweeteners
Sauces and other condiments	Herbs and spices

The hotel, restaurant and tourism industries are a largely untapped goldmine of opportunities for US exporters of value-added, consumer-ready and frozen food products. The Mexican tourism industry is ranked eight in the world with respect to the volume of visitors, and sixteenth with respect to tourism-generated income. Mexico is one of the world's principal tourist destinations, with 18.6 million international tourists visiting in 2003. Although this number has been decreasing since 2000 (where 20.6 million international tourists visited Mexico), during 2004 the total of international visitors has increased over 10.8 percent between January and October in relation with 2003 and it is expected to reach 20.7 million by the end of the year. Average spending by international tourists visiting Mexico has increased 24 percent from \$311.8 to \$388.5 per capita between 2000 and 2003. During 2004 it is estimated to reach \$419.6. In 2003, eighty nine percent of these tourists came from the United States, four percent from Europe, three percent from Canada, and the balance from other countries.

Quintana Roo alone, attracted 9.5 million tourists (51 percent of the total tourism to Mexico) in 2003. It generated \$3.8 billion or 37 percent of the \$9.5 billion foreign currency income from tourism into Mexico (in 2002 it represented 31.7 percent of Mexico's revenue for tourism). During 2004 around 10.7 million tourists are estimated to have visited Quintana Roo (which main destinations are Cancun, Riviera Maya, Isla Mujeres, and Cozumel) and tourism generated income is expected to reach \$4.1 billion. Around 30-35 percent if this income is spent in food and beverages making it a market of over \$1.2 billion with great potential for the food service industry. It has 57,906 rooms currently available and it will continue to grow at an average of 3,000 rooms per year for the next few years. There are around 900 restaurants registered with the CANIRAC (National Food and Beverage Association in Cancun). About 400 of these restaurants are targeted to tourists and 90 percent of them are established in Cancun. Also, there are some 360 additional tourist class restaurants located within hotels. The average per person

consumption in restaurants is estimated to be \$20, but depending on the type of restaurant this varies from \$5 to \$75.

Major Products Prohibited Entry into Mexico

No US food products are prohibited entry to the Mexican market, as long as appropriate Government of Mexico health and/or sanitary certificates are included as needed. Your customs broker will be able to inform you as to which products require special certification.